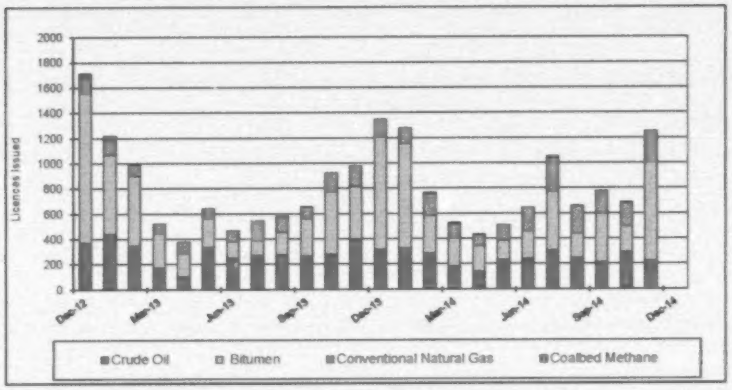
February 2015 Industry Activity Report

Monthly Well Licences



The Alberta Energy Regulator issued 1,253 well licenses in November, up 28% from the 977 issued in November 2013.

There were 220 licences issued for crude oil in November, down 45% from the 398 crude oil licences issued in November 2013.

85% of the crude oil licences issued in November were for horizontal wells, unchanged from this time last year.

There were 250 natural gas well licenses (excluding CBM) issued in November 2014, 52% higher than the 164 licences reported last November.

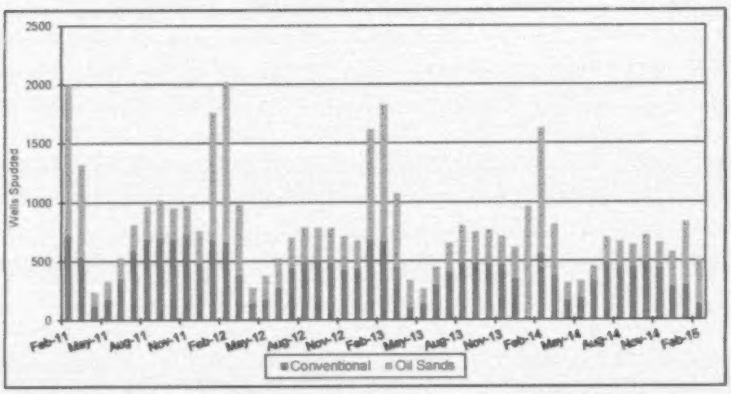
81% of natural gas well licenses issued in November were for horizontal wells, up from 70% from the same period last year.

Licenced Wells	November* Drilling Type	Total Licences	Per cent of Total Licences
Natural Gas	Horizontal	203	20%
	Vertical/Direct	47	
Coal Bed Methane	Horizontal	-	
	Vertical/Direct	-	
Crude Oil	Horizontal	188	18%
	Vertical/Direct	32	
Bitumen	Horizontal	45	62%
	Vertical/Direct	163	
	Evaluation	575	
Total		1253	100%

Source: Alberta Energy Regulator

* Updates are not available at this time

Alberta Wells Spudded (estimates)



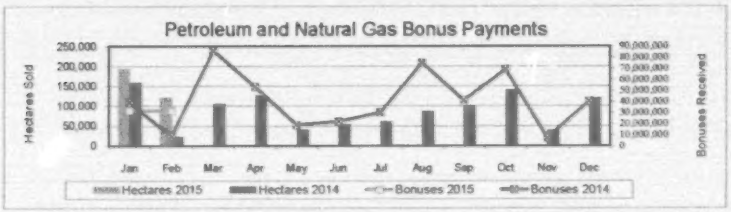
With a total of 507 spuds, activity has dropped 69% from last February when there were 1,632 spuds.

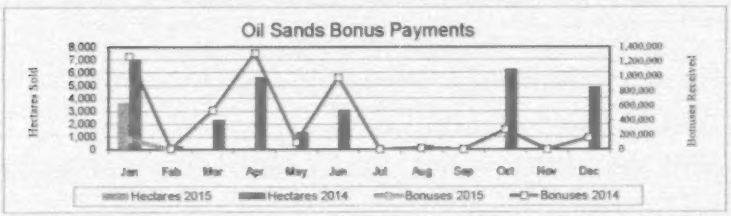
Compared to the January-February period in 2014, spuds for conventional wells are down 28% while oil sands spuds are down 55%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	Conventional	762	715	530	120	179	356	587	690	703	681	733	485	6,541
	Oil Sands	1050	1288	788	121	155	169	225	277	316	274	241	272	5,176
2012	Conventional	683	662	389	144	181	278	439	492	504	486	424	442	5,124
	Oil Sands	1080	1360	591	132	194	241	265	293	280	296	283	229	5,244
2013	Conventional	684	674	450	110	135	299	417	485	486	477	470	347	5,034
	Oil Sands	932	1152	629	229	135	153	237	316	261	287	236	269	4,836
2014	Conventional	20	566	376	170	188	332	485	457	449	495	443	283	4,264
	Oil Sands	945	1066	434	147	146	124	211	207	191	220	216	292	4,199
2015	Conventional	300	123											423
	Oil Sands	530	384											914

Source: Alberta Energy Regulator

Petroleum & Natural Gas & Oil Sands Land Sales





The petroleum and natural gas land sale held in February totalled $32 million with an average price per hectare of $262.83.

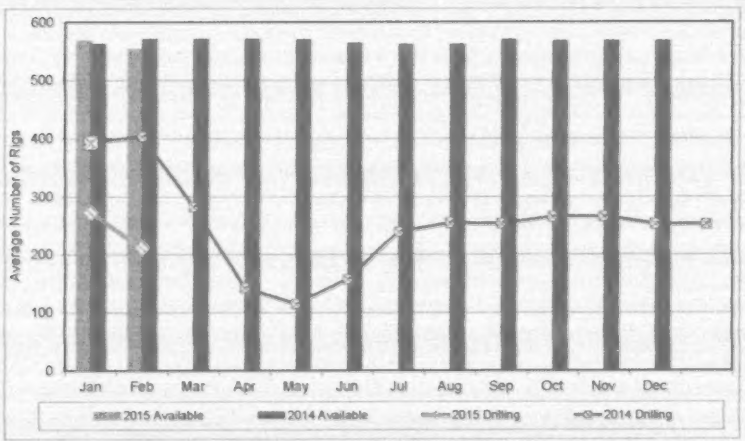
Through the first two months of this year, Alberta has earned $64 million for 319,993 hectares, compared to $49 million last year (189,372 hectares). Average crown land prices decreased from $257.73/hectare in 2014 to $199.35 in 2015.

Petroleum and Natural Gas Rights	Feb-15	Feb-14	YTD 2015	YTD 2014
Bonuses	$31,785,331.49	$8,384,624.57	$63,651,968.81	$47,522,496.20
Hectares	120933.04	22912.00	316344.51	182139.93
Average Price per Hectare (Cdn$)	$262.83	$365.95	$201.21	$260.91

Oil Sands Rights	Feb-15	Feb-14	YTD 2015	YTD 2014
Bonuses		$7,393.28	$139,047.68	$1,284,234.24
Hectares		256.00	3648.00	7232.00
Average Price per Hectare (Cdn$)		$28.88	$38.12	$177.58

Source: Alberta Energy

Alberta Rig Activity


Average Number of Rigs
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
2015 Available
2014 Available
2015 Drilling
2014 Drilling

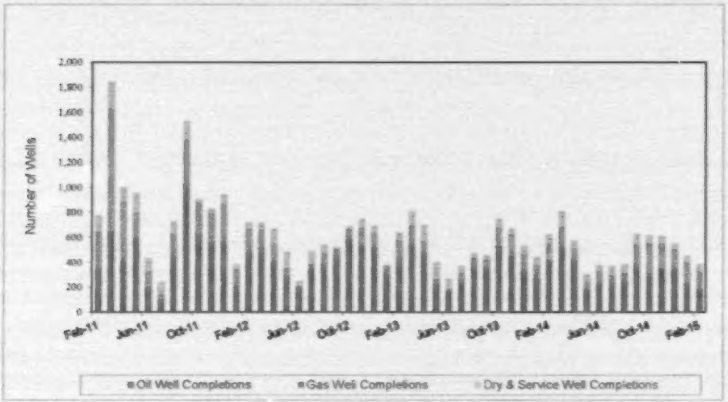
For the month of February, fleet utilization for the province's 554 rigs averaged 38%, compared to 71% of the 571 rigs available last February.

So far this year, Alberta oil and gas fields have employed 241 rigs, down 39% from the 398 working rigs for this period in 2014.

February	Drilling	Down	Available	Rig Util. Feb-15	Rig Util. Feb-14
Alberta	211	343	554	38%	71%
Saskatchewan	49	90	139	35%	64%
British Columbia	50	28	78	64%	83%
Northwest Territories					50%
Manitoba	7	12	19	37%	66%
Canada	318	474	792	40%	70%

Source: Canadian Association of Oilwell Drilling Contractors

Alberta Well Completions



There were a total of 388 well completions reported in February 2015, down 38% from the 626 completions in February 2014.

Compared to last year's two-month total, oil well completions were down 39%, and gas well completions were up 34%.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2011	Oil Wells	226	353	650	419	602	209	105	451	1030	626	559	568	5,798
	Gas Wells	145	294	974	472	196	124	43	183	356	259	243	299	3,588
	Dry & Service	42	127	222	112	160	100	97	94	145	19	32	73	1,223
2012	Oil Wells	215	489	516	405	296	205	348	380	447	588	533	523	4,945
	Gas Wells	131	181	146	141	62	12	46	98	65	81	137	110	1,210
	Dry & Service	35	48	55	126	128	37	94	63	12	23	80	59	760
2013	Oil Wells	313	449	544	481	230	179	263	394	357	528	463	333	4,534
	Gas Wells	59	124	149	91	47	14	59	46	72	153	164	139	1,117
	Dry & Service	9	67	119	129	66	79	51	34	29	72	44	58	757
2014	Oil Wells	280	427	520	418	188	240	245	257	389	314	354	348	3,980
	Gas Wells	105	119	166	94	54	94	52	63	154	239	197	161	1,498
	Dry & Service	57	80	126	62	63	45	70	69	85	65	62	42	826
2015	Oil Wells	239	194											433
	Gas Wells	166	134											300
	Dry & Service	46	60											106

Source: Daily Oil Bulletin, Nickle's Energy, Information, and Technology
For further information, visit www.nickles.com